

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 229075

62

ORIGIN EB-11

INFO OCT-01 EUR-25 ISO-00 AGR-20 CIAE-00 COME-00 INR-10

LAB-06 NSAE-00 RSC-01 SPC-03 STR-08 TRSE-00 CIEP-02

OMB-01 L-03 H-03 /094 R

DRAFTED BY EB/FTD:HMPHELAN:MLB

APPROVED BY EB/FTD:HMPHELAN

LABOR - IKRAMER

COMMERCE - AGAREL

EUR/NE - JFBECALIA

DESIRED DISTRIBUTION

LABOR, COMMERCE, EUR/NE

----- 044823

P 202220Z NOV 73

FM SECSTATE WASHDC

TO AMEMBASSY VALLETTA PRIORITY

LIMITED OFFICIAL USE STATE 229075

EO:11652, N/A

TAGS: ETRD, MT

SUBJECT: BILATERAL COTTON TEXTILE AGREEMENT

REF: (A) STATE 216409, (B) VALLETTA 2220, (C) STATE
225726, (D) VALLETTA 2249

1. FYI. U.S.G. POSITION ON PERMITTING U.S. - MALTA
BILATERAL COTTON TEXTILE AGREEMENT TO EXPIRE DEC. 31
(REFS. A AND C) REINFORCED BY CONSIDERATIONS ARISING IN
CONNECTION OUR EFFORTS ACHIEVE IN GATT MULTILATERAL
NEGOTIATIONS CURRENTLY IN PROGRESS IN GENEVA A NEW MULTI-
FIBER ARRANGEMENT WHICH WOULD REPLACE AND SUBSUME THE
LTA EXPIRING DEC. 31. IN COURSE THESE NEGOTIATIONS
U.S. ADMINISTRATION OF LTA, PARTICULARLY WHOLE STRUCTURE
OF COMPREHENSIVE BILATERAL COTTON TEXTILE AGREEMENTS
U.S. HAS NEGOTIATED WITH "QUESTIONABLE" REGARD TO
DISRUPTION IN U.S. MARKET, HAS COME UNDER HEAVY ATTACK
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 229075

FROM LESS DEVELOPED EXPORTIN COUNTRIES. INTER ALIA,

IT NOW APPEARS CLEAR THAT, IN THE NEW
ARRANGEMENT UNDER NEGOTIATION SELECTIVE RESTRAINT ACTIONS
EITHER UNILATERAL OR BILATERAL, WILL HAVE TO BE
JUSTIFIED UNDER STRICT MARKET DISRUPTION CRITERIA.
MOREOVER, MOST LDC'S PARTICIPATING IN GENEVA
NEGOTIATIONS ARE OPPOSING RIGHT OF IMPORTING COUNTRIES
TO NEGOTIATE "COMPREHENSIVE" BILATERAL AGREEMENTS ON
GROUNDS THAT MANY PRODUCTS INCLUDED IN SUCH BILATERALS ARE

IN NO WAY DISRUPTING MARKET IN IMPORTING COUNTRIES AND,
FURTHER, THAT SUCH AGREEMENTS ARE THE RESULT OF EXERCISE
OF POWERFUL ECONOMIC LEVERAGE ON OTHER TRADE AREAS
BY DEVELOPED COUNTRIES. END FYI.

2. FYI. IN EFFORT TO IMPROVE U.S. NEGOTIATING STANCE
(AND IMAGE) BY AVOIDING EXTENSION OF BILATERAL
AGREEMENTS WHERE EXPORTING COUNTRY SHIPMENTS ARE FAR
BELOW AGREEMENT LEVELS AND IN NO WAY DISRUPTIVE
IN U.S. MARKET, WE HAVE BEEN FOLLOWING POLICY ALLOWING
SUCH AGREEMENTS AND RESTRAINTS TO LAPSE. IN NO CASE,
HOWEVER, HAVE WE OR CAN WE GIVE ASSURANCES REQUESTED
REF D. END FYI.

3. WE ASSUME IF MALTESE DESIRE TO RENEW
BILATERAL THIS DESIRE MOTIVATED BY RELUCTANCE U.S.
IMPORTERS ENTER INTO CONTRACTS WITH EXPORTERS IN
COUNTRIES WHERE NO AGREEMENT ON QUOTAS EXISTS.
RELUCTANCE U.S. IMPORTERS CONTRACT IN ABSENCE AGREEMENT
IS PREDICATED ON PAST EXPERIENCE WHERE U.S.G. HAS
IMPOSED ART. 3 RESTRAINTS WHICH PREVENTED EXECUTION
CONTRACTS INVOLVING INCONVENIENCE TO TRADE.

4. PROBLEMS MENTIONED PARA 1 ABOVE NOTWITHSTANDING,
YOU MAY INFORM GOM THAT WE WILLING EXTEND U.S. -
MALTA BILATERAL ON PRESENT TERMS PLUS NORMAL GROWTH.
THIS ACTION WOULD BE AT GOM REQUEST AND, EXCHANGE NOTES,
EXTENDING AGREEMENT WOULD HAVE TO CONTAIN REFERENCE TO
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 229075

EFFECT THAT AGREEMENT WAS EXTENDED PURSUANT TO REQUEST
GOM. KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, TEXTILES, COTTON, EXPORTS, LESS DEVELOPED COUNTRIES
Control Number: n/a
Copy: SINGLE
Draft Date: 20 NOV 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: collinp0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE229075
Document Source: CORE
Document Unique ID: 00
Drafter: HMPHELAN:MLB
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731122/aaaaappt.tel
Line Count: 109
Locator: TEXT ON-LINE
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: (A) STATE 216409, (B) VALLETTA 2220
Review Action: RELEASED, APPROVED
Review Authority: collinp0
Review Comment: n/a
Review Content Flags:
Review Date: 19 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19-Sep-2001 by elyme>; APPROVED <07 MAR 2002 by collinp0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BILATERAL COTTON TEXTILE AGREEMENT
TAGS: ETRD, MT
To: VALLETTA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005